

ESCORTS, ESCORT BUREAUS AND INTRODUCTORY SERVICES



From Scottsdale City Code

NOTICE TO TAXPAYERS

This booklet incorporates sections of the City Code of the City of Scottsdale as it relates to escorts, escort bureaus and introductory services.

It is our hope that this booklet will assist you in understanding the licensing law. For any additional information or clarification, please call (480) 312-2400.

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TABLE OF CONTENTS

CHAPTER 16 - ARTICLE XIV

16-452	Definitions
16-453	Escort bureau and introductory service, license required
16-454	Place of business; separate license for additional place of business
16-455	License nontransferable
16-456	Permit nontransferable
16-457	Application for escort bureau or introductory service license
16-458	Escorts-Permit required
16-459	Same-Employment by city-licensed escort service
16-460	Same-Work identification card required
16-461	Same-Application for escort permit
16-462	License and permit terms
16-463	License and permit renewal
16-464	Escort bureau; introductory services duties, licensee records and reports required
16-465	Information update
16-466	Revocation of license
16-467	Revocation of permit
16-469	Review and appeals
16-470	Prohibited activities
16-471	Fees
16-472	Applicability of regulations to existing business-
16-473	Applicability of other tax and licensing provisions
16-474	Penalty

CHAPTER 16
LICENSES, TAXATION AND MISCELLANEOUS BUSINESS
REGULATIONS

ARTICLE XIV. ESCORTS, ESCORT BUREAUS AND
INTRODUCTORY SERVICES

Sec. 16-452. Definitions.

Unless the context otherwise requires, the following words shall have the following meanings:

"Escort" means any person who is hired, or who offers themselves or who is offered for hire, for the purpose of accompanying another person or persons to or about social affairs, entertainments, places of amusement or at any place of public resort or within any private quarters (or "at any public or private place") for compensation of any kind. A person is an escort within the meaning of this article even if other lawful, personal or professional services are provided to the person hiring the escort, if such services are merely incidental to the escort services.

"Escort bureau" means any person, as defined, herein, which for a fee, commission, profit, payment or other monetary consideration, furnishes, refers or offers to furnish or refer escorts, or provides or offers to introduce patrons to escorts.

"Escort patron" means any person who contracts with, or employs, or for monetary consideration hires an escort bureau or an escort.

"Introduction service" means a service offered or performed for any pecuniary compensation, the principal purpose of which is to aid individuals to become socially acquainted, or whose service is generally known by the offering or performing party to be used by the recipient thereof for the purpose of obtaining information about others for social purposes.

"Person" is any individual, partnership, limited partnership, firm, corporation, or association of any kind.

Sec. 16-453. Escort bureau and introductory service, license required.

It shall be unlawful for any person to conduct, manage, operate, maintain, offer to furnish or furnish an escort bureau business or introductory service without first obtaining and maintaining in effect an escort bureau license as provided by this article.

Sec. 16-454. Place of business; separate license for additional place of business.

A licensee shall conduct business only at the address shown on the license. Each additional place of business shall require a separate license.

Sec. 16-455. License nontransferable.

All licenses issued under this article shall be nontransferable as between persons. The tax and license office, however, upon receipt of a transfer fee of twenty-five dollars (\$25.00) shall authorize the transfer of a license from one (1) location to another provided the licensee remains the same. An application to transfer location must be made prior to the actual transfer and no business may be conducted from the new location until the fee is paid and the transfer is authorized.

Sec. 16-456. Permit nontransferable.

All permits issued pursuant to this article are nontransferable.

Sec. 16-457. Application for escort bureau or introductory service license.

(a) Filing. An applicant for an escort bureau license or an introductory service license shall file an application with the tax and license office.

(b) Contents. Unless otherwise provided in the article the application shall contain the name and address of the activity and the following information about the applicant, any person financially interested in the activity to be licensed, and authorized local agents, and managing employee of the activity to be licensed.

(1) The name, including any aliases, business trade names or styles;

(2) Present residence and business addresses and telephone numbers, as applicable; Each residence and business address for the five-year period immediately preceding the date of filing of the application and the inclusive dates of each such address;

(3) Each residence and business address for the five-year period immediately preceding the date of filing of the application and the inclusive dates of each such address;

(4) Arizona driver's license;

(5) Valid proof of age and that the applicant is at least eighteen (18) years of age;

(6) Height, weight, color of eyes and date of birth;

(7) Two (2) current two-inch by two-inch color photographs taken within thirty (30) days of the filing of the application.

(8) The business, occupation or employment history for the

three-year period immediately preceding the date of the filing of the application.

(9) Information as to whether such individual or business has ever been refused any similar license or permit or has had any similar license or permit issued to such individual or business in Scottsdale or elsewhere revoked or suspended, and the reason or reasons therefor;

(10) All prior criminal convictions excepting minor traffic offenses for the last five (5) years.

(11) Fingerprints recorded by the police department.

(12) If the applicant is a corporation, the name of the corporation shall be set forth exactly as shown on its articles of incorporation or charter, together with the state and date of incorporation, and the names, residence addresses, and dates of birth of each of its current officers and directors, and each stockholder holding more than five (5) percent of the stock in the corporation. If the applicant is a partnership, the applicant shall set forth the names, residence addresses and dates of birth of each of the partners, including limited partners and profit interest holders. If the applicant is a limited partnership, the applicant shall furnish a copy of the certificate of limited partnership as filed with the county clerk. If one (1) or more of the partners is a corporation, the provisions of this subsection pertaining to corporations shall apply. The corporation or partnership applicant shall designate one (1) of its officers or general partners to act as its responsible managing officer. Such designated person shall complete and sign all application forms required of an individual applicant under this article, but only one (1) application fee shall be charged;

(13) A complete description of the exact nature of the business to be conducted, including office organization, advertising theme and method, employee qualifications and copies of contracts to be used with escorts and patrons.

(14) The name and residential addresses of all persons

employed as escorts.

(15) The complete address of the business location.

(16) The person or persons who will have custody of the business records at the business location.

(17) Agent for service of process.

(c) Written plan; contents. The applicant shall supplement the application by submitting a written plan setting forth the method of operation of the escort bureau, which shall include, but not be limited to:

(1) The hours that the escort bureau will be open to the public, including all hours any escorts are with a patron;

(2) The methods of supervision of employees to prevent the escort from charging the patron any fee which is in addition to the fee paid to the escort bureau or introductory service by the patron;

(3) The methods of supervision which will prevent the escorts from soliciting acts of prostitution or offering sexual stimulation or sexual gratification;

(4) The applicant shall submit a statement disclosing the names of all persons who have invested in the proposed escort bureau and the names of all persons who will share in or receive a percentage of the profit or return from the proposed escort bureau; and

(5) The method of compensating escorts.

(d) Denial or revocation of license. The failure to truthfully disclose any of the information required by subsections (b) and (c) of this section or the failure to make a full disclosure of all facts required shall be grounds for denying the license or, if subsequent to issuance of a license it is discovered that any applicant or person required to be investigated has not been

completely truthful or has withheld any facts in answering the above questions, such failure shall be grounds for revoking the license.

(e) Investigation of applicant. The customer service director shall have sixty (60) days in which to investigate the application and background of the applicant and process the application.

(f) Issuance of license. The customer service director shall grant the license upon the following circumstances:

(1) The required fees have been paid;

(2) The application conforms in all respects to the provisions of this article;

(3) The applicant has not made a material misrepresentation of fact in the application;

(4) That neither the applicant, if an individual nor any person financially interested if a corporation; nor any of the partners, including limited partners, nor the holder of any profit interest, nor the manager or other person principally in charge of the operation of the existing or proposed escort bureau or introductory service, nor any individual employed or contracted with to be an escort or to provide escort services has been convicted of, pleaded nolo contendere to or guilty to any felony or to a misdemeanor involving moral turpitude within five (5) years prior to the issuance of the license;

(5) The applicant has not had a license similar to the one issued pursuant to the provisions of this article issued by Scottsdale or another authority, suspended or revoked for cause within the five-year period immediately preceding the date of filing of the application.

(6) The escort bureau or introductory service complies with all applicable laws of the city, the county and the state.

(7) The applicant, manager or other person principally in

charge of the operation of the business is at least eighteen (18) years of age.

(g) Denial of application, notification of applicant. The customer service director shall deny the license application if all of the requirements set forth in subsection (f)(1) through (7) of this section have not been met. In the event of denial, the applicant shall be notified by mail of the denial and the reasons therefore.

Sec. 16-458. Escorts--Permit required.

It shall be unlawful for any person to act or offer to act in the capacity of an escort within the city without a valid permit issued pursuant to the provisions of this article.

Sec. 16-459. Same--Employment by city-licensed escort service.

It is unlawful for any person to work or perform services as an escort in the city unless employed by a Scottsdale licensed escort service.

Sec. 16-460. Same--Work identification card required.

All escorts are required to obtain a work identification card. This card must be carried on the person of an individual while such person is engaged in the activity of an escort within the city. Such identification shall be displayed upon request of any city police officer or any other law enforcement official. The chief of police or his designee shall issue a work identification card upon notice from the customer service director.

Sec. 16-461. Same--Application for escort permit.

(a)Contents. An applicant for an escort permit shall submit an application containing the following information to the tax and license office:

(1)The applicant's full legal name and current residential address.

(2)The applicant's two (2) residential addresses immediately prior to the applicant's present address, and the date of residence at each.

(3)Any other name the applicant has been known as during the previous five (5) years.

(4)Written proof the applicant is at least eighteen (18) years of age.

(5)The applicant's height, weight, color of hair, color of eyes, and date of birth.

(6)Two (2) color portrait photographs, at least two (2) inches by two (2) inches in size, taken within the previous thirty days of the date of the filing of the application.

(7)All felony and misdemeanor convictions of the applicant excluding minor traffic offenses within the last five (5) years.

(8)The business, occupation or employment history for the three-year period immediately preceding the date of the filing of this application.

(9)The applicant's complete fingerprints recorded by the city police department.

(10)Information as to whether the applicant has ever been refused a similar permit or has had a similar permit revoked or

suspended by the city or another authority, and the reasons therefor.

(11) Proof that the applicant is a United States citizen, or lawful permanent resident alien or an alien who is authorized to work by the United States Department of Justice Immigration and Naturalization Service.

(b) Investigation of applicant. The customer service director shall cause to be investigated the application and the background of the applicant.

(c) Denial of permit. No escort permit shall be issued to the applicant if:

(1) The applicant has been convicted of, plead nolo contendere to, or been found guilty of any felony or to a misdemeanor involving a crime of moral turpitude within the previous five (5) years.

(2) The application is incomplete or contains false, misleading or fraudulent statements with respect to the information required.

(3) The applicant has engaged in a business, trade, occupation, or profession, without a valid license or permit for which one was required by ordinance.

(4) The applicant has had a permit or license issued by the city or another authority, denied, suspended, or revoked for cause relating to licensing activity within the previous five (5) years.

(5) The applicant is not at least eighteen (18) years old.

(6) The applicant is not a United States citizen, or lawful permanent resident alien or an alien who is authorized to work by the United States Department of Justice Immigration and Naturalization Service.

(d) Notification of denial. In the event of denial the applicant shall be notified by mail of the denial and the reasons therefor.

Sec. 16-462. License and permit terms.

The term of a license or permit issued pursuant to the provisions of this article is for one (1) year.

Sec. 16-463. License and permit renewal.

The escort bureau and introductory service license, and escort permit must be renewed by filing an application for renewal on a form provided by the tax and license office. The renewal form shall specify what changes in any answers to the information supplied with the original application have occurred. The application for renewal and all required information shall be filed with the tax and license office thirty (30) days prior to the expiration of the license or permit. All applicants for renewal shall also submit themselves for fingerprinting at the police department within the time provided herein.

Sec. 16-464. Escort bureau; introductory service duties, licensee records and reports required.

(a) Every escort under this article shall maintain a legible written record of every transaction whereby the permittee acted as an escort. The record shall show the date and hours of each transaction and the name, address and telephone number of the person or persons for whom the licensee acted as escort.

(b) Every escort bureau licensee shall:

(1) Employ only escorts that have current escort permits issued by the city tax and license office.

(2) Maintain a current list of all escorts employed by the licensee, showing the name and current address of each.

(3) Maintain a legible written record of each transaction of any an escort is furnished to, or arranged for on behalf of, any person, patron or customer. The record shall show the date and hour of each transaction, the name, address and telephone number of the person requesting or arranging an escort, and the name of every escort furnished, or other person about whom information is furnished, by the licensee.

(c) The records required by subsections (a) and (b) of this section shall be kept available and open for inspection by the customer service director or by the chief of police or his authorized representative during business hours.

(d) Every escort bureau licensee shall report in writing to the tax and license office the name of any escort employed by the licensee whose employment by the licensee has terminated, within twenty-four (24) hours after such termination.

(e) The escort bureau shall provide to each patron a written contract and receipt of payment for services. The contract shall clearly state the type of services to be performed, the length of time such services shall be performed, the total amount of money such services shall cost the patron, and any special terms or conditions relating to the services to be performed.

(f) The escort bureau shall maintain an open office at the licensed location during all hours escorts are working. The address of that office shall be included in all patron contracts and published advertisements. Private rooms or booths where the patron may meet with the escort shall not be provided at the open office or at any other location by the escort bureau. Violation of this provision shall be grounds for license revocation.

(g) The escort bureau is responsible and liable for the acts of all its employees and subcontractors including, but not limited to, telephone receptionists and escorts who are referred by the

bureau while the escort is with the patron.

Sec. 16-465. Information update.

Any changes in the information required to be submitted by this chapter by a licensee or permittee that have occurred since the filing of an application, must be given to the tax and license office, in writing, within ten (10) days of any such change.

Sec. 16-466. Revocation of license.

In addition to the grounds stated in the article I of this chapter, a license issued pursuant to this article shall be revoked, in accordance with the procedures set forth in article I, upon a finding that the licensee, its agent, employee, escort, partner, director, officer, stockholder, manager (key employee) or person exercising managerial authority of or on behalf of the licensee has committed any of the following acts:

(1) Violated any of the provisions of this article.

(2) Knowingly made any false, misleading or untruthful statements, intentional misrepresentations of a material fact, or concealed material facts in an application for a business license, report or record to be filed with the tax and license office. It is presumed any information in an application, report or record is made knowingly if signed by the applicant or authorized agent.

(3) Conducted or advertised an escort business under an unlicensed fictitious name, or at an unlicensed address.

(4) Published, uttered, disseminated or conveyed, either publicly or privately, to an individual any false, deceptive or misleading statements or advertisements in connection with the operation of a business licensed hereunder.

(5) Committed any act constituting dishonesty or fraud, or committed any unlawful, false or fraudulent, deceptive or dangerous act while conducting business.

(6) Conducted business as a licensee as a corporation when no longer legally permitted to do so in this state.

(7) Been convicted of any crime set out in any statute, ordinance or regulation relating to licensed activities.

Sec. 16-467. Revocation of permit.

In addition to the grounds stated in article I of this chapter, a permit issued pursuant to this article shall be revoked, in accordance with the procedures set forth in article I, upon a finding that the permittee has violated any provisions of this article.

Sec. 16-469. Review and appeals.

Any person aggrieved by any decision with respect to either the denial of or a refusal to issue a license, or the revocation of a license which is subject to this article, shall be entitled to the review and appeal procedures provided in article I of this chapter.

16 470. Prohibited activities.

It shall be unlawful for a permittee or licensee to provide an escort or introductory service as described in the article to individuals under eighteen (18) years of age unless written and notarized authorization by a parent or legal guardian is given to the escort prior to the time services are rendered.

Sec. 16-471. Fees.

(a) The application fee for the application required for an escort bureau or introductory service license shall be one hundred seventy-five dollars (\$175.00).

(b) The annual renewal fee for an escort bureau or introductory service license shall be fifty dollars (\$50.00).

(c) The application fee for an escort permit shall be one hundred dollars (\$100.00).

(d) The annual renewal fee for an escort permit shall be twenty-five dollars (\$25.00).

(e) The fee for an identification card shall be ten dollars (\$10.00).

(f) A duplicate license, permit or identification card may be issued by the customer service director to replace any license, permit or identification card issued hereunder which has been lost or destroyed upon the licensee filing a statement of such fact, and at the time of filing such statement paying the customer service director a fee of five dollars (\$5.00) for a duplicate license or permit and ten dollars (\$10.00) for a duplicate identification card.

(g) All of the fees shown in this section are non-refundable and non-prorated.

Sec. 16-472. Applicability of regulations to existing business.

The provisions of this article shall be applicable to all persons engaging in the activities described herein whether or not the activities were engaged in prior to the effective date of Ordinance No. 1991, enacting this chapter [article] into law. All such persons shall have ninety (90) days from the effective

date thereof to comply with the provisions of this article.

Sec. 16-473. Applicability of other tax and licensing provisions.

Persons required to obtain a license for transacting and carrying on any business listed in this article shall not be relieved from the payment of any tax levied for revenue purposes nor any fee required under any other ordinance of the city and shall remain subject to the provisions of such other ordinances.

Sec. 16-474. Penalty.

(a) In addition to any other remedies presented in this article it shall be a misdemeanor to violate any of the provisions of this chapter.

(b) Each day such violation continues shall constitute a specific offense.

(c) Revocation of a license shall not be a defense against prosecution.

INDEX

Appeal	13
Applicability of other tax and licensing provisions	15
Applicability of regulations to existing business	14
Application - Escort bureau/introductory service	3-6
- Escort permit	7
Definitions	1
Employment by city licensed escort service	7
Fees - Escort bureau/introductory service (original)	14
- Escort bureau/introductory service (renewal)	14
- Escort permit (original)	14
- Escort permit (renewal)	14
- Identification card	14
Information Update	12
License and permit period	10
Penalty	15
Prohibited activities	13
Records and reports required - Escort Bureau/introductory service	10-11
Renewal - License and permit	10
Review and appeals	13
Revocation - License	12
- Permit	13
Second location - license	2
Transfer - License/person to person - nontransferable	2
- License/location to location	2
- Permit - nontransferable	2
Work identification card required	7